



## A call for doubling farmer's income

Ankur Shrivastava

SOS in lifelong education and social work, Jiwaji University, Gwalior, Madhya Pradesh, India

### Abstract

Great anxiety and fear are prevalent among farmers for agriculture as this primary activity has been hindered by a couple of drought situations in many parts of our country. Previous strategies for agriculture sector improvement in India have focused mainly on increasing agricultural gain and boost up food security and did not clearly recognize the concerns of farmers' income and did not address any direct measure to promote farmer's welfare. As a consequence farmer's income continued to be very low, as evident from the prevalence of poverty among farmers. This situation may cause a critically adverse effect on the future of agriculture in the country. To address this issue Prime Minister of India Narendra Modi launched a program 'Doubling farmer's income' by 2022 by publicizing 6 points strategy.

**Keywords:** Poverty, farmers income, agriculture

### Introduction

Traditionally, India has been an agricultural country. But after attaining independence the future of the sector brightened and the glorious changes came in Indian agriculture's history between the years 1950 and the late 1960s when the Green revolution boosted up the production of food grains, especially wheat and paddy. Although, the change must have been taken for granted and we have not made sufficient efforts to help that growth sustain longer. The emergency we are seeing today was created for years and decades, and left us unnoticed. Farming has lost the ecstasy and has become a source of income for those who cannot go for any other source of earning. Most of the rural areas are suffering from food and livelihood problems more specifically the lack of fodder and drinking water. The government needs to address the situation in a proactive manner and develop long term farmer's centric policies to a great extent related to farm irrigation, diversification of farms, farms beneficial advantages, and community support programs so as to socio-economically empower farmers.

The former planning for the growth of the Indian agriculture sector has focused mainly on increasing agricultural output with improved food security. The net result was a 45% hike in per person food production, which has made India not only food self-reliant at aggregate level, but also a net food exporting country. The plan did not specifically recognize the need to raise the farmer's income and did not mention any direct measure to promote the farmer's welfare. The net outcome has been that farmer's income remained low, that is apparent from the incidence of household poverty among farmers.

The huge and declining disparity between the income of a farmer and non-agricultural worker assisted with a low level of earning, make an important reason for the emergence of agrarian distress in India during the 1990s, which became quite severe in some years. India also witnessed a sudden rise in farmer's suicides from 1995 to 2004 statistically. Losses from farming, low farm income were identified as major factors for this. The low and highly fluctuating farm

income is causing a damaging effect on the interest in farming and farm investments and is also compelling more and more cultivators, particularly younger age groups, to leave farming. This can cause serious negative effect on the future of agriculture in the country.

In order to achieve the target of doubling farmer's income, Prime minister in February 2016 addressed the nation a six point scheme to mark India's 75<sup>th</sup> Independence Day. The government formed an inter-ministerial committee on April, 2016 to study the issues regarding 'Doubling of Farmer's Income with strategies to achieve the same. The Committee thus identified seven sources of income growth as follows

- Concentrate on irrigation system with adequate budget and expenses, with the theme 'Per Drop More Crop'.
- Providing quality seeds and nutrients, based on soil health of each field.
- Huge investments in Warehousing & in Cold Chains to forestall post-reap crop misfortunes.
- Promotion of value addition practices through food processing.
- Establishing National Farm Market, eliminating distortions and creating 585 stations with e-platform services.
- Introducing New Crop Insurance Scheme to reduce risks at an affordable price.
- Advancement of additional activities like fisheries, poultry, apiculture.

### Schemes and programs initiated by the government to achieve the target of doubling of farmers' income

- Paramparagat Krishi Vikas Yojana,
- Pradhan Mantri Krishi Sinchai Yojana,
- Soil Health Card
- Pradhan Mantri Fasal Bima Yojana,
- Neem-Coated Urea and e-NAM Schemes

### Paramparagat Krishi Vikas Yojana (PKVY)

An initiative to motivate the farmers for organic farming in

the country, It was launched by the Indian Government in 2015 and in 2016, on budget speech, the Finance Minister stood strongly in support of implementation of this scheme. According to this scheme, farmers will be motivated to form groups or clusters and take to organic farming pattern over large areas in the country. The main objective of this scheme is to develop sustainable model of organic farming through a combination of traditional wisdom and science to determine the long term soil fertility, resource conservation. Also helping in climate change adaptation & mitigation. This scheme primarily encourages the farmers to adopt eco-friendly concept of cultivation & reduce their dependence on fertilizers.

To achieve the greater benefits of this scheme, each cluster of farmers group must have 50 persons who are willing to take up organic farming practices and possessing a total area of at least 50 acres. Each farmer registering in the scheme will be given 20,000 rupees per acre by the government for 3 years. This fund can be utilized for obtaining organic seed, crop harvesting, and for transportation of the products to the local markets.

#### **Pradhan Mantri Krishi Sinchayee Yojana (PMKSY)**

To promote better efficiency in water usage practices and water wastage reduction, PMKSY with the motto "Har Khet Ko Paani" was launched on 1<sup>st</sup> July 2015, which is being carried out to spread cultivated area with guaranteed irrigation. PMKSY not only focuses on generating sources for guaranteed irrigation, but it also focus on developing defensing irrigation by utilizing rain water at micro level. The micro irrigation strategy is also getting support through subsidies to ensure "Per drop-More crop". PMKSY has been formulated merging ongoing schemes viz.

- Accelerated Irrigation Benefit Programme of the Ministry of Water Resources,
- Department of Agriculture and Cooperation (DAC)
- Department of Land Resources
- River Development & Ganga Rejuvenation
- Integrated Watershed Management Programme (IWMP)
- On Farm Water Management

#### **Soil Health Card Scheme, 2015**

In this scheme, the government plans to distribute soil cards to the farmers, carrying crop wise recommendations of nutrients as well as fertilizers required for the individual farms to help farmers to achieve greater productivity through rational use of materials. It has been planned that all soil samples are to be tested in various soil testing labs across the country. The experts will examine the positive and negative aspects of the soil, like deficiency of micro-nutrients if any, of the soil and suggest control measures to deal with it. The recommendations will be mentioned in the cards. 14 crores farmers will get benefit of this scheme.

#### **Pradhan Mantri Fasal Bima Yojana (PMFBY), 2016**

A crop insurance scheme namely Pradhan Mantri Fasal Bima Yojana (PMFBY) is introduced with the mission to provide crops with better insurance cover for risk mitigation. The scheme has gained its coverage under limited risks after harvesting losses etc. and targets at adoption of tools and technology for yield estimation. Through increased awareness among farmers and low farmer premium rates the scheme aims at increasing the crop insurance penetration in

India. The PMFBY will take over the prior two schemes namely National Agricultural Insurance Scheme and Modified NAIS.

#### **Main highlights of PMFBY**

- Farmers shall pay a fixed premium of only 2 percent and 1.5 percent for entire Kharif and Rabi crops respectively. For commercial & agricultural crops, the farmers need to pay the insurance amount which is just 5 percent annually. The insurance rates to be charged by farmers are very small and the Government must pay the balance insurance in order to provide the farmers with full insured sum against crop loss due to natural catastrophe.
- There is no maximum limit on Government subsidy. Even if the balance premium is 90 percent, it will be bear by the Government.
- Previously, a capping of the premium rate was implemented which resulted in low claims being paid to farmers. Such capping was undertaken to reduce the Government's premium subsidy outgoings. This capping has now been eliminated and farmers will submit claims without any limitation against full amount insured.
- The utilization of techniques will be motivated to a large extent. For example, Smart phones will be used to capture and upload data of crop cutting to minimize the delays in claims or payment to farmers. Remote sensing techniques will be used for minimizing crop cutting experiments.
- In addition, the PMFBY scheme replaces NAIS / MNAIS and there would be an exclusion from Service Tax liabilities for all services involved in implementing the scheme. This scheme is expected to provide between 75 to 80 % of insurance premium subsidy for farmers.

#### **Neem-Coated Urea**

Neem coated urea (NCU) scheme is introduced to govern the application of urea, increase the nitrogen supply to the crop and reduce the cost of application of fertilizers. It slows the release of fertilizer and effectively makes it accessible to the crop. The total quantity of domestically produced and imported urea is now coated with neem. It lowers crop costs and enhances soil health management.

#### **Advantages**

- Soil Health will be improved to a great extent
- Cost control for chemicals used in plant protection.
- Pest and plant diseases can be controlled.
- An increase in yield of paddy to 5.79%, sugarcane to 17.5%, maize to 7.14%, soybean to 7.4% and tuar/red gram to 16.88%.
- Allocation of highly subsidized urea to un-agricultural purposes negligible among farmers following the implementation of a mandatory production and distribution policy for NCU only.

#### **e-NAM Schemes, 2016**

The features of this scheme are as follows:

- A National e-market system in controlled markets for open selling transactions and price discovery, kisan mandis, storage, and private markets. States eager to

enact e-trading provisions in their APMC act accordingly.

- Flexible Licensing of traders / buyers including commission agents by state agencies without any prerequisite of physical presence in the market or possession of shop / locations.
- One trader license valid for all State markets.
- Harmonization of agricultural product quality standards and assay (price testing) infrastructure requirements in each market to allow informed purchasers to bid.
- Limitation of the authority of the Agriculture Produce Marketing Committee (APMC) in place of a geographical area (the business area) within the APMC business yard / subyard at present.
- Single point market fee levy i.e. on the farmer's first wholesale buy.

SFAC will introduce the national e-platform system that will cover 400 mandis during 2016-17 and 185 during 2017-18.

The government is planning to connect 22,000 mandis across the country with the National Agriculture Market (e-NAM), an online trading platform for agricultural commodities by 2021-22, raising the Ministry of Agriculture's budgetary outlay to Rs 2,11,694 crore in 2014-19, to establish and introduce schemes to improve the country's farmers' situation.

### Conclusion

The Food and Livelihood problems specially lack of fodder and drinking water are prevailing in the village areas. It is the need of the time that Government promptly address the situation and formulate long term policies and schemes focusing on farmers and irrigation farm diversification, farm profitability and community support programs so as to socially and economically empower farmers.

### References

1. Chand Ramesh. Addressing agrain distress: Sops Versus Development, 23<sup>rd</sup> Dr. B.P Pal memorial lecture, May 26, Indian Agricultural Research Institute, New Delhi, 2016.
2. Chand Ramesh. Why doubling Farmers Income by 2022 is Possible, Indian Express, Opinion page, 2016.
3. Chand Ramesh. E-plat form for National Agricultural Market, Economic & Political Weekly, 2016, LI.
4. Prathap BN, Dr Mahesh K, Karthik KR. Impact of Micro Finance on Poverty Alleviation, Journal of Management. 2018; 5(4):278-286.
5. Chand Ramesh, Pavithra S. Fertilizers use & Imbalance: Analysis of States, special article, Economic & Political Weekly. 2015; 50(44):139-145.
6. Raising Agricultural Productivity and Making Farming Remunerative for Farmers, Occasional Paper NITI Aayog, Government of India, 2015.
7. Muhamad Toyib Daulay, Elfindri, Sjafrizal, Sofyardi. An Empirical Investigation of Business Diversification and Economic Value on Poverty in Batubara Regency, North Sumatera, Indonesia, International Journal of Civil Engineering and Technology. 2018; 9(10):841-859.
8. Chand Ramesh, Saxena R, Rana S. Estimates and Analysis of Farm Income in India, 1983-84 to 2011-12," Economic & Political Weekly. 2015; 50(22).

9. Chandrasekhar and Mehrotra, Doubling Farmers Incomes by 2022: What Would It Take? Economic & Political Weekly. 2016; 51(18).
10. Dr. Johnson Nnadi Ewelum, Mbara Kingsley Ugochukwu. Community Services Training and Development: A Panacea for Employment Generation and Poverty Eradication in Families and Communities in Nigeria, International Journal of Management (IJM). 2014; 5(11):86-95.
11. Expert Committee. Report of the Expert Committee on Land Leasing, NITI Aayog, Government of India, 31 March. NSSO 2005: Income, Expenditure and Productive Assets of Farmer Households, Report No 497(59/33/5), National Sample Survey Office, Ministry of Statistics and Programme Implementation, Government of India, 2016.
12. Dr. Sundaram N, Cherian Thomas, Dr. Ajay Kumar Sharma. Poverty condition of Artisanal Fishermen during Lean Season-a Review, International Journal of Mechanical Engineering and Technology. 2018; 9(7):728-735.
13. Ramesh Chand. Doubling farmers income. NITI Policy Paper 1/2017, 2017.
14. Manjunatha CT, Dr. Parameswara Gupta EA. Role of Micro Finance in Poverty Alleviation, International Journal of Management (IJM). 2014; 5(3):73-77.
15. Recommendations of the National Round Table Conference on doubling the Farmers Income by 2022. 30. Indian Council of Food and Agriculture, 2016.